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असाधारण

EXTRAORDINARY

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PART II—Section

प्राधिकार से प्रकाशित

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इस भाग में भिन्न छठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके  
Separate paging is given to this Part in order that it may be filed as a separate compilation.

## LOK SABHA

The following Bill was introduced in Lok Sabha on the 14th November, 1966:—

BILL No. 76 of 1966

*A Bill to amend the Produce Cess Act, 1966.*

BE it enacted by Parliament in the Seventeenth Year of the Republic of India as follows:—

1. This Act may be called the Produce Cess (Amendment) Act, Short title. 1966.

15 of 1966. 5 2. In section 2 of the Produce Cess Act, 1966 (hereinafter referred to as the principal Act), for clause (c), the following clause shall be, Amendment of section 2. and shall be deemed always to have been, substituted, namely:—

‘(c) “customs airport”, “customs port” and “customs station”

32 of 1962. 10 have the meanings respectively assigned to them in the Customs Act, 1962;’.

3. In section 3 of the principal Act, in sub-section (1), for the words “customs port to any port”, the words “customs station to any place” shall be, and shall be deemed always to have been, substituted. Amendments of section 3.

Amendment  
of section  
11.

4. In section 11 of the principal Act,—

(a) in sub-section (1),—

(i) after the words “by sea”, the words “or air”, and

(ii) after the words “customs port”, the words “or  
customs airport”, 5

shall be, and shall be deemed always to have been, inserted;

(b) in sub-sections (2) and (3), for the words “by land”,  
wherever they occur, the words “by land or inland water” shall  
be, and shall be deemed always to have been, substituted.

Amendment  
of section  
20.

5. In section 20 of the principal Act, in sub-section (2), in 10  
clause (e), for the words “by land”, the words “by land or inland  
water” shall be, and shall be deemed always to have been, substitut-  
ed.

Amendment  
of First  
Schedule.

6. (1) In the First Schedule to the principal Act, after serial  
number 2 and the entries relating thereto in columns 2, 3 and 4, the 15  
following serial number and entries relating thereto shall be inser-  
ted under the respective columns, namely:—

“3	Cashew kernel.	1½ per cent. of the tariff value.	1 per cent. of the tariff value.”.
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(2) To the First Schedule to the principal Act, the following 20  
*Explanation*, shall be added, namely:—

‘*Explanation*.—In this Schedule, the expression “tariff value” has  
the meaning assigned to it in the Customs Act, 1962’

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**STATEMENT OF OBJECTS AND REASONS**

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Cashew kernels of which India supplies about 90 per cent. of the world demand, are a valuable source of foreign exchange earnings for the country with large potentialities for further expansion. The cashew industry in India, however, is dependent primarily upon imported rawnuts from the East-African countries, the internal supplies meeting only about one-third of the total demand. It is accordingly proposed to undertake intensive research and developmental programmes during the Fourth Plan to increase the production of indigenous rawnuts and reduce dependence upon supplies from abroad.

2. The Bill, therefore, seeks to include cashew kernels also in the First Schedule to the Produce Cess Act, 1966, for purposes of levy of a cess in the nature of a duty of customs on cashew kernels exported from India, so as to raise the necessary finances needed for intensive research and developmental programme. This will provide a steady source of finance on a continued basis for promoting agricultural and technological research as well as improvement and development of the methods of cultivation, manufacturing and marketing of cashew.

3. The cess imposed by this Act will be levied on the tariff value of the produce, determined under section 14(2) of the Customs Act, 1962.

4. The Bill also seeks to make certain verbal amendments in sections 2, 3, 11 and 20 of the Produce Cess Act, 1966, with a view to empowering the levy of cess on produce exported by air or inland water.

C. SUBRAMANIAM.

NEW DELHI;

*The 3rd November, 1966.*

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**PRESIDENT'S RECOMMENDATION UNDER ARTICLE 117 OF  
THE CONSTITUTION OF INDIA**

[Copy of letter No. 4(1)/66 Com. I/MFA, dated the 5th November, 1966 from Shri C. Subramaniam, Minister of Food, Agriculture, Community Development and Co-operation to the Secretary, Lok Sabha].

The President having been informed of the subject matter of the Produce Cess (Amendment) Bill, 1966 recommends the introduction and consideration of the Bill in the Lok Sabha under Article 117(1) and 117(3) of the Constitution of India.

## FINANCIAL MEMORANDUM

The Bill provides for the levy of a cess in the nature of a duty of customs in respect of cashew kernels which is to be added to the First Schedule to the Produce Cess Act, 1966. The collections made through the existing collecting agencies are to be credited to the Consolidated Fund of India. In pursuance of the provision of section 5 of the Produce Cess Act, 1966, grants-in-aid, after due appropriation, will be given to the Indian Council of Agricultural Research for conduct of research and the Department of Agriculture will finance specific development projects relating to cashew. The organisation by which the development schemes will be executed in the Department of Agriculture will be the Regional Office, Cashew-nut Development, constituted with effect from the 1st April, 1966, for which suitable budget provisions has been included in the *ad hoc* provision of Rs. 10 lakhs provided in the budget estimates for 1966-67. The revenue from the cess, on the basis of the present level of production and export, is estimated to be of the order of Rs. 27 lakhs per annum. The recurring expenditure on the various measures of development and research on cashew is estimated to be of the order of about Rs. 30 lakhs per annum. In addition, non-recurring expenditure is estimated to be of the order of Rs. 20 lakhs.

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S. L. SHAKDHER,  
*Secretary.*